

**Delaware Health Resources Board**  
**Meeting Minutes**  
**Thursday August 15, 2019 2:30 PM**  
**DelDOT Administration Building Felton/Farmington Room first Floor**  
**800 Bay Rd Dover DE 19901**

**Board Members Present:** Chair Brett Fallon, Theodore (Ted) Becker, Yrene Waldron, John Walsh, Edwin Barlow, Leighann Hinkle, Carolyn Morris, Lynn Morrison and Julia O'Hanlon

**Board Members Absent:** Mark Thompson, Vincent Lobo Jr. D.O. and Dennis Klima

**Staff Present:** Latoya Wright, Elisabeth Scheneman and Joanna Suder

***Call to Order and Welcome***

Chairman Brett Fallon was absent for the beginning of the meeting. He recused from all Beebe matters and was not in the room during all Beebe related matters. The Acting Chair for the meeting Lynn Morrison welcomed the Board members and called the meeting to order at 2:36 p.m.

**Action**

***June 27, 2019 Meeting Minutes***

The meeting minutes were reviewed. John Walsh made a motion to approve the minutes. Ted Becker seconded the motion. There was a voice vote, three abstentions, no opposing. Motion carried.

***Bayhealth Freestanding Emergency Department Certificate of Public Review (CPR) Withdraw of application***

Bayhealth submitted an application for a freestanding emergency department (FED) on December 28, 2019 along the Lewes Georgetown Highway (Route 9) in DE. On August 14, 2019, Bayhealth submitted a letter withdrawing their FED application from the CPR process. Lynn Morrison read the full letter during the meeting. The letter stated that Bayhealth respectfully request that the Board does not review, vote on, or make any decisions with respect to their application. Bayhealth thanks the members of the Board for their time they spent reviewing and considering the application.

Board member Ted Becker recused himself from all Beebe matters on the agenda and left the room during those discussion items.

***Beebe Freestanding Emergency Department Certificate of Public Review (CPR) application***

Beebe submitted an application for a freestanding emergency department (ED) in Georgetown, DE. The estimated capital expenditure is \$20-\$23.7 million. There was a public hearing held on May 16, 2019 at Deltech in Georgetown for receiving comments for the application. The Review Committee that reviewed the application was John Walsh, Chair of the Review Committee, Leighann Hinkle and Carolyn Morris. John Walsh provided the Review Committee's recommendation report to the Board.

## **Project Summary and Background Information**

Delaware residents in and around Georgetown have a greater unserved need for emergency medical services than in any part of Beebe Healthcare's Primary Service Area. Poverty and poor health are the most significant risk factors for emergency department utilization, according to the Robert Wood Johnson Foundation. The high number of residents in and around Georgetown living at or below the poverty line make emergency care an importance service to add. Lower-cost alternatives for non-emergent care are available in Georgetown, including multiple primary care practices, two walk-in care centers, the Veterans Affairs outpatient clinic and La Red, a Federally Qualified Health Center. Emergency care is not currently available in Georgetown despite the high need of this community.

Beebe Healthcare proposes to build and operate a year-round freestanding Emergency Medicine Department (ED) in Georgetown to fill this gap and improve access to timely emergency care for the residents in and around Georgetown. Beebe estimates that the Georgetown ED will serve 24,000 patients each year, 14% of whom (3,400) will be visitors to the region who live outside of the service area. Of the annual patients at the Georgetown ED, approximately 4,375 would have been served at the hospital's emergency department in Lewes, thus lowering the burden on that facility which currently operates at 88% of capacity. An unknown number of these visits would have been served at either Nanticoke or Bayhealth (Beebe cannot determine this number), and others who may have not sought emergency care since none is available nearby. Beebe states, since no Emergency Medicine services are currently located in Georgetown, 100% of residents and visitors travel from 20 to 50 minutes to reach the nearest ED varying depending on direction of travel, time of day, and season. Timely access to emergency care will be improved for all residents and visitors in the Georgetown area.

The proposed Georgetown ED will include 14,413 square feet of space for emergency medical triage, treatment, diagnostic imaging, and laboratory. (Attachment D.2 - Beebe Emergency Medicine Georgetown Floor Plan). The Emergency Department will include:

- 21 Emergency Exam/Treatment Rooms (i.e., exam, triage, holding, resuscitation, isolation)
- Diagnostic Imaging (Computed Tomography, X-ray, )Ultrasound
- Onsite laboratory
- Onsite Facilities/Materials Management including receiving facility

The Georgetown ED will be owned and operated by Beebe Healthcare and will be staffed by the same team that manages and cares for patients in the ED at the hospital in Lewes. This includes the Sussex Emergency Associates, the private practice of emergency medicine providers that are contracted by Beebe to provide emergency medical care. The ED will be accredited by the Joint Commission as part of the hospital's accreditation survey, and will be guided by the same policies and procedures as the emergency services offered at the hospital in Lewes. Total construction costs are estimated to be \$20 – \$23.7 million, including equipment and fixtures. Construction of the proposed freestanding ED will relieve some of the burden on the emergency department at the hospital in Lewes, eliminating the need to invest in capital expansion of that facility and improving patient throughput at both facilities.

## **II. Conformity of Project with Review Criteria**

### **Criterion I: The relationship of the proposal to the Health Resources Management Plan.**

Beebe's charitable mission is to encourage healthy living, prevent illness, and restore optimal health with the people residing, working, or visiting the communities they serve. This mission guides Beebe towards providing care for all in their community, regardless of their ability to pay, and their charity policy formalizes this practice. Beebe is a provider of care to Medicare and Medicaid beneficiaries. The proposed Georgetown ED, as part of Beebe Healthcare, would operate under this same mission, Medicare and Medicaid participation, and Charity Care Policy.

Beebe Healthcare has a long history as a certified participant provider for both Medicare and Medicaid beneficiaries. Of Beebe Healthcare's total annual expenditures in fiscal 2017, more than 75% was for the provision of care to Medicare and Medicaid beneficiaries.

### **DHIN Participation**

Beebe Healthcare has been a continuous participant with and financial supporter of the Delaware Health Information Network (DHIN) since its inception, and we submit inpatient, emergency, and ambulatory records to the DHIN daily and access care information to support caregivers and care coordinators.

### **Care Coordination**

Beebe Healthcare was an early innovator in Care Coordination, developing a Population Health Department in 2013 after consulting with Dr. Jeffery Brenner, a pioneer in the field. The Population Health Department and an Advanced Care Clinic provide care coordination and follow up care for patients discharged from the hospital or Emergency Department who do not have a primary care physician, or whose physician is unable to see them within 7 days of discharge. The team includes registered nurses, social workers, and non-clinical coordinators.

It was stated the Review Committee discussed that at the March 28<sup>th</sup> review committee meeting, Dr. Allison Shevock (the Board's epidemiologist) provided the Board with an overview of FEDs that are hospital owned and non-hospital owned. In regards to Criterion I, it states applications must strike a balance in consideration of access, cost and quality of care. The Review Committee discussed that Beebe listed categories in their applications that conform to the HRMP; however, there is a concern with this application as it relates to the costs, access and quality of care. The Review Committee also discussed their concern relative to the costs of care for emergency department visits. Comments made by Nanticoke Hospital at the public hearing stated Beebe's FED will increase the costs of healthcare and will affect their health care delivery system. The Review Committee agreed that Beebe's proposed ED will increase the costs of healthcare, and provide a negative impact to Nanticoke.

The Board discussed the written comments provided by Nanticoke. It was stated Nanticoke provided comments that FEDs average higher costs than walk in care centers and urgent care centers.

### **Action**

There was a motion made to accept the Review Committee's recommendation that the application does not meet criterion I. There was a voice vote, one abstaining, and no opposing. Motion carried.

Criterion II: The need of the population for the proposed project.

**Population Growth**

The population of Sussex County has grown significantly in the last 10 years and is expected to continue growing. This growth has put a burden on the current healthcare infrastructure, and planning for future demand is at the core of this proposed expansion. Capacity at Beebe's Lewes Emergency Department is 55,000 visits annually, and in the fiscal year that ended in June 2018, over 48,000 patient visits were supported. Average occupancy is running at 88% of capacity and expanding to serve the growing community is essential before overcrowding occurs. Between 2010 and 2017, the population in Sussex County grew by 12.7%<sup>1</sup> However, in the primary service area of Beebe Healthcare, which is the south-central and eastern portion of Sussex County; the population has grown by 15.8%, more than double that of the western side of the county. There are approximately 64,300 residents in the towns that make up the communities that are expected to be primarily served by a freestanding emergency department in Georgetown.

**Demographics and Utilization**

Beebe Healthcare has selected Georgetown as its location for a proposed ED. There is a high need for emergency medicine among the Georgetown population. Emergency medicine is an important safety-net service, and the demographic characteristics of the resident population suggest a high risk for emergency medicine need. According to the 2017 population estimates of the US Census bureau, 23.7% of the people who reside in the Georgetown zip code live at or below the poverty level, compared to 11.6% of people in Sussex County. Household income is 13% lower than in the county overall. Twenty-eight (28%) percent of residents report having no health insurance. The Delaware Healthcare Association's Delaware Healthcare Tracker reports that in the inland Sussex zip codes of 19931, 19940, 19947, 19956, and 19973, which encompass Georgetown and immediate areas west, 9.9% of residents cannot afford health insurance. According to the same source, 8.9% of this population have barriers to adequate transportation.

Frequent emergency department utilization is considered those who visit an emergency department more than once a year. For frequent users, emergency department utilization correlates with substantive self-reported physical and mental health problems and with low income. Interestingly, frequent emergency department users, according to the Robert Wood Johnson Foundation, use the emergency department as a supplement rather than a replacement for primary care. Frequent emergency department visitors are also high utilizers of other forms of healthcare. Availability of lower-cost care for non-emergent conditions (i.e., Primary Care and Walk-In Care) will continue to offered, but they do not substitute for emergency medical conditions.

It was stated the Review Committee discussed there may be possible issues with traffic in the proposed site; however, the traffic is not a justified need for the construction of an additional FED. The Review Committee also discussed the Governor's Executive Order 25-Quality Benchmark, specifically around ED utilization and the reduction of unnecessary use of the emergency services.

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<sup>1</sup> Delaware Population Consortium, Annual Population Projections, October 26, 2017, v. 2017.0.  
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The Board discussed services readily available in the proposed location to include LA Red, Walk in Centers and the VA Center within close proximity.

The Review Committee found that Beebe did not provide a justified need for another FED in the proposed location. The Board discussed the projected population growth in that primary service area and acknowledged that the area is experiencing growth. The traffic as it related to travel time could impact access to care. It was stated it could take an EMS 20 minutes in the traffic route. That can be rough. It was also mentioned that Beebe's occupancy rate is 88% at their current ED and their average wait time, which is below the national average. One of the state's initiatives is to address improper use of the ED. The Review Committee did not see a current need for Beebe's proposed ED.

### **Action**

There was a motion made to accept the Review Committee's recommendation that the application does not meet criterion II. There was a voice vote, two abstaining, and no opposing. Motion carried.

### **Criterion III: The availability of less costly and/or more effective alternatives to the proposal, including alternatives involving the use of resources located outside the State of Delaware.**

The application stated there are currently no emergency medicine services in Georgetown, Delaware. Presently, 100% of patients from these communities drive or are taken by ambulance from 20 to 50 minutes out of their community for diagnosis and treatment of emergency medical conditions. The highest visitation to an emergency room is typically afternoon to early evening, so planning for peak travel time is important to ensure timely access to care.

The majority of Sussex County residents receive emergency medical diagnosis and treatment at one of the following centers:

<b>Providers</b>	<b>Non-Peak Travel Times</b>
Beebe Medical Center (Lewes, DE)	32 minutes from Georgetown
Nanticoke Memorial Health System (Seaford)	20 minutes from Georgetown
Milford Memorial Hospital (Milford, DE)	20 minutes from Georgetown

The Board discussed that the travel times to the other hospitals can be considered long times for EMS. The Board also discussed the option for DelDOT to evaluate the traffic pattern to alleviate travel times. Also, the Board discussed educating the public about the proper use of ED services.

The Board also discussed less costly alternatives readily available to include the three hospitals Bayhealth, Beebe and Nanticoke, Walk in Centers and Urgent Care Centers. Delaware has an initiative to reduce the costs of healthcare. Over-utilization of emergency room services is an unnecessary cost. The goal is to decrease the over-utilization of emergency room visits. The Review Committee discussed that FEDs offer limited services than hospital EDs.

For the State of Delaware's Group Health Plan, 1/3 of the emergency department visits were non-emergent between October 2015 and September 2018. That is down five percent. The costs of

these non-emergent ED visits between September 2017 and 2018 is 10 times higher for ED verses Urgent Care Centers and primary care physician visits. Average costs for ED visits are \$1,484 verses and \$126 for Urgent Care Centers. FEDs generate two types of bill to include a physician claim and a facility claim.

### **Action**

There was a motion made to accept the Review Committee's recommendation that the application does not meet criterion III. There was a voice vote, three abstaining, and no opposing. Motion carried.

### **Criterion IV: The relationship of the proposal to the existing health care delivery system.**

#### **Relationship to Current Healthcare System**

The ED in Georgetown, Delaware will be owned and operated by Beebe Healthcare and managed and staffed by the same team that currently serves patients and manages programs at the Emergency Medicine Department at the hospital campus in Lewes. The Georgetown ED will utilize the same policies and procedures that govern the care that is provided at the Lewes ED. A few new policies are being developed to address communication and transfer of patients who require the services of an acute care hospital. The site of the proposed ED has multiple important contiguous medical services, making it a convenient destination for a variety of healthcare needs. There are two retail pharmacies within less than ½ mile. This is an important convenience for discharged patients who require prescription medication. A third pharmacy is located 1.8 miles south at Route 113 and Route 9. In addition, the site is host to other medical services, including Sun Behavioral Health psychiatric hospital, La Red (a Federally Qualified Health Center), and the Veterans Affairs outpatient clinic. Beebe Healthcare offers Primary Care, Walk-in Care, Physical Rehabilitation, OB/GYN and outpatient Diagnostic Imaging within this same development. The 901 Georgetown Loop DART route stop B is adjacent to the proposed Georgetown ED at Walmart.

#### **Referral Relationships**

For patients who need services not available at the proposed ED or at Beebe Healthcare's acute care hospital in Lewes, formal transfer agreements are in place with 52 organizations. These include all the tertiary hospitals in Delaware, Hospital of the University of Pennsylvania, Jefferson University Hospital, Nemours A.I. DuPont Children's Hospital, Children's Hospital of Philadelphia, and many others. Beebe Healthcare is part of the State of Delaware's Trauma System. Though no freestanding emergency department would be a trauma center, the same relationships, processes and policies will be in place to support smooth and timely transfer of patients when needed. Beebe Healthcare has an active partnership with area Emergency Medical Service (EMS) and Basic Life Support (BLS) units. The Medical Director of Emergency Medicine at Beebe Healthcare is the Medical Director for the EMS for Sussex County.

#### **Employment, Diversity and Patient Choice**

Beebe does not anticipate any negative impact on the employment or availability of services at other emergency medicine services in the region. The addition of an ED in Georgetown will provide a convenient, high quality choice for patients who are best served with immediate emergency treatment close to their homes. Competition by providers of emergency healthcare

services will increase, putting positive pressure to improve service and quality, and lower costs to payers.

The Board discussed that Beebe's proposal for a new FED will have a direct impact on existing providers such as Nanticoke Hospital. Comments made at the public hearing by Nanticoke stated the new FED will affect their core services. Nanticoke's efforts to lower the cost of care and benefit from the value-based programs they participate in will be negatively impacted by the Beebe FED.

#### **Action**

There was a motion made to accept the Review Committee's recommendation that the application does not meet criterion IV. There was a voice vote, two abstaining, and no opposing. Motion carried.

#### **Criterion V: The immediate and long-term viability of the proposal in terms of the applicant's access to financial, management and other necessary resources.**

In 2018, Beebe Healthcare retained the firm, Freeman White, to complete an evaluation of the need for emergency medicine in Sussex County. Their study included an evaluation of how best to meet the emergency medicine needs of the population in Beebe's Primary Service Area. It is expected the Georgetown Emergency Medicine Department can operate at a net surplus annually, starting in the first full year of operation, thus it is not expected that any interruption of care would be caused by financial insolvency.

#### **Borrowing Capacity**

For the last two fiscal years (ending June 2018 and June 2017) Beebe Healthcare has maintained 2.7% and 4.9% operating margins, respectively (Attachment D.5 – Beebe Medical Center Inc. CFS 17-16). It is the positive operations, experienced management team, strong market performance in the Primary Service Area, and the projected growth of the population, that will support Beebe's strategy to issue a tax-exempt bond in early 2019 to borrow the capital needed for this project. In 2016, Beebe Healthcare engaged with Ponder & Co. to complete a feasibility study, which concluded that Beebe would be able to borrow capital through a tax-exempt bond without jeopardizing its bond rating. Beebe Healthcare raised its long-term bond rating to BBB with a stable outlook from BBB- (Standard & Poors) in September 2017. This rating was affirmed by Standard and Poors during a ratings review in October 2018.

#### **Action**

There was a motion made to accept the Review Committee's recommendation that the application met criterion V. There was a voice vote, no abstaining, and no opposing. Motion carried.

#### **Criterion VI: The anticipated effect of the proposal on the costs of and charges of healthcare.**

Financial Impact (first full year of operations)

Estimated effect on annual expenses: \$19,926,978

Estimated effect on annual revenue: \$ 16,372,101

Estimated effect on individual charges \$0.00

Beebe Healthcare does not anticipate any direct impact on individual charges related to delivering emergency treatment at the Georgetown ED. Over time, increased competition by healthcare

providers of emergency services may reduce charge rates to insurers as new contracts are negotiated. The application states it is possible that more residents in the Georgetown area will seek emergency care who would have previously not done so because care was not convenient, and this increased use of services would increase direct costs. However, these same individuals may be avoiding higher costs later by seeking care early and not allowing conditions to worsen or become more complicated. As the Robert Wood Johnson study states, those who frequently use emergency services are also frequent users of lower cost services like primary care, and represent a complex mix of people with high need. Beebe Healthcare's mission is to meet this need for healthcare services, as cost-effectively as possible, providing essential services to Delawareans in the Georgetown community.

It was stated that Jeffrey Fried is no longer the CEO of Beebe and this should be removed from the Beebe report. Staff will remove that reference from the report. It was also mentioned that the Review Committee discussed Beebe's proposed FED will increase the total cost of health care with emergency departments costing 10 times more than Urgent Care and Walk in Centers. Beebe's application is not in alignment with the Governor's Executive Order 25 Quality Benchmark regarding ED utilization and reducing the costs of healthcare.

#### **Action**

There was a motion made to accept the Review Committee's recommendation that the application does not meet criterion VI. There was a voice vote, one abstaining, and no opposing. Motion carried.

#### **Criterion VII: The anticipated effect of the proposal on the quality of health care.**

The factor that most influences positive outcomes for patients experiencing medical emergencies is timely access to care. By building an ED in Georgetown, Beebe Healthcare will be shortening the time to care for residents and visitors in the Georgetown region. Timely access to care for patients experiencing medical emergencies saves lives and reduces the negative outcomes due to delayed access to care. Timely access to care is also a focus of Beebe's Emergency Medicine program once patients arrive in the department. How quickly patients are triaged and treated by a medical professional and how quickly they are discharged measure this. Below is a table of timely access to care measures and the outcomes for the Lewes Emergency Medicine Department. With the expansion of emergency services in South Coastal, and the proposed emergency department in Georgetown, Beebe expects throughput to improve at the Lewes ED as volume shifts to the other centers.

#### **Behavioral Health**

For those patients who experience a medical emergency who also have behavioral health needs, the Georgetown ED will offer tele-health psychiatric evaluations, just as it does in the Lewes Emergency Medicine Department. Tele-psychiatric evaluations offer a cost-effective manner for providing this specialty services, and ensures that patients with psychiatric needs are receiving appropriate treatment for behavioral health. The new emergency center will be built within immediate proximity to the Sun Behavioral Health psychiatric hospital enabling rapid transition to more acute behavioral health services for those who need them.



## **Pediatric Specialty Care**

The Georgetown ED will seek recognition by the state under the Emergency Medical Services for Children (EMSC) program as a Delaware Pediatric Emergency Care Facilities—Level 3. Beebe's Lewes ED already has this recognition. Because the needs of children treated in the prehospital setting are different from those of adults, prehospital care providers must have appropriate equipment and training, along with safe and effective protocols to treat children. Participation in this program ensures this level of training, and appropriate protocols for treating pediatric emergency patients.

In addition, the Georgetown ED will deploy the tele-health connection to A.I. DuPont Hospital for Children when consults are necessary with pediatric specialists. This system is already in place in the Lewes ED.

## **Trauma**

The Georgetown ED will participate in the Delaware state trauma system, but as a freestanding emergency department will not be a trauma center.

## **Accreditation**

Joint Commission on Accreditation of Health Care Organizations (JCAHO) accredits Beebe Healthcare and its Emergency Medicine Program. The proposed Georgetown Emergency Medicine Department will be included in this accreditation review. The Joint Commission reviews the program for appropriate equipment policies and clinical protocols.

## **Technology**

Certain technology investments can improve quality care and outcomes in treating medical emergencies. These include the availability of diagnostic equipment such as Computed Tomography (CT), which will be available in the Georgetown ED.

It was stated the Review Committee discussed that Beebe's application does mention improvement of access to behavioral health services, care coordination and improving the health care needs of the population. It was also discussed that Beebe intends to recruit primary care physicians which will contribute to the shortage of primary care physicians in Sussex County. The Review Committee however was uncertain if the proposed FED will improve the overall quality of care based on Beebe's lack of justification to demonstrate a valid need for the new FED.

## **Action**

There was a motion made to accept the Review Committee's recommendation that the application does not meet criterion VII. There was a voice vote, no abstaining, and no opposing. Motion carried.

## **Other Review Considerations**

The integrated design process is centered on operational and process improvement. Constructing a new building on a green-field site allows the planning to provide efficient and flexible design to both flow of patients and staff. The plan will provide a reduction of travel times for work- and patient-flow, and improved use of technology for communication (i.e., electronic medical record and patient tracking). Adjacencies and appropriate sizing of support services will also improve

the delivery of services. Using LEAN concepts, the staffing and building services will be optimized. With an improved layout, reduced workflow travel distances, technology support and state of the art building mechanical and electrical services will reduce operational cost in respect to clinical and support staffing, energy efficiency through improved systems, LED lighting, sustainable materials and plant maintenance protocols. The new facility will follow ADA guidelines and employ energy conservation principles.

### Conclusion

After review of the Beebe application, the Review Committee recommended denial of the application submitted by Beebe for the construction of a freestanding emergency department in the proposed location based on the following reasons:

- Comments made at the public hearing stated that emergency services are currently available within the proposed service areas.
- The proposal is not in alignment with Delaware's initiative to lower the costs of healthcare.
- There are less costly alternatives available rather than additional freestanding emergency services
- The proposed emergency department will have a negative impact to the existing health care system.

### Action

It was stated that the Board will collectively vote on the Beebe application. There was a voice vote; with seven denying the application and one abstaining.

### ***Beebe Millville Freestanding Emergency Department and Oncology Center One Year CPR Progress update***

On July 26, 2018, the Board approved Beebe Healthcare's applications to construct a cancer center and freestanding emergency department in Millville. Beebe provided a progress update for both projects for the Board's review. Some of the highlights from the written update were as follows:

#### **Freestanding Emergency Department and Cancer Center**

- The land swap agreement was completed in August 2018.
- The design process and construction documents were completed in October 2018.
- Temporary DelDOT approval was completed September 2018. Final entrance approval is anticipated to be complete in June 2019.
- The framing of interior and exterior walls commenced in May 2019.
- The original implementation schedule from the application is also included with the meeting materials.

### Action

There was a motion made to accept that sufficient progress has been made for Beebe's Millville Oncology Center and Freestanding Emergency Department. There was a voice vote, no abstentions and no opposing. Motion carried.

Chairman Brett Fallon, Esq. facilitated the remainder of the meeting.

### **Upcoming Items before the Board**

***Notice of Intent (NOI) CCC JV LP acquisition of Churchman Village, Parkview Nursing & Rehabilitation and Harbor Healthcare & Rehabilitation***

Potter Anderson Corroon LLP represents the proposed buyers of three existing Delaware nursing home facilities Churchman Village, Parkview Nursing and Harbor Healthcare & Rehab. The NOI supporting the narrative was submitted on July 29, 2019. Each nursing facility will be acquired by an entity that is an affiliate of the same parent entity known as CCC JV, LP. The proposed purchase transactions are related and will close simultaneously. After the purchase transactions are complete, Churchman DE SNF Realty LLC will be the new realty owner of Churchman Village, Parkview DE SNF Realty will be the new realty owner of Parkview Nursing and Harbor DE SNF Realty will be the new realty owner for Harbor Healthcare. Guidance is requested from the Board as to the preferred manner of presenting the three transactions for the Certificate of Public Review process. The estimated capital expenditure is \$67million, which includes all three transactions. Should there be three separate Notice of Intents and three CPR applications filed? Potter Anderson Corroon LLP looks forward to the Board's guidance regarding these transactions. If the Board would prefer that three separate NOIs and applications are submitted, Potter Anderson Corroon LLP will respectfully do so, but is requesting the original NOI date of July 29, 2019 be retained.

**Action**

There was a voice vote to agree that three separate NOIs and three separate applications shall be submitted. The original NOI date of July 29, 2019 shall be retained. There were no abstentions and no opposing.

**Updates**

***Charity Care Reports***

Annual charity care reports were submitted by the following freestanding surgery centers documenting the dollar amount of charity care provided in 2018. No action was required:

First State Surgery Center	\$391,175.70
Delaware Surgery Center	\$57,340
Delaware Surgical Arts	\$61,458.35

**Other Business**

***Joint Legislative Oversight and Sunset Committee***

The Joint Legislative Oversight and Sunset Committee voted to conduct a comprehensive legislative oversight and sunset review of the Delaware Health Resources Board. Legislative oversight and sunset review is a periodic review of an entity with the purpose of determining whether there is a public need for the entity and if so, whether the entity is effectively performing to meet that need. The Joint Legislative Oversight performance review questionnaire is in your meeting packets. Staff and leadership is responsible for completing and submitting the questionnaire to the Joint Legislative Oversight and Sunset committee analysts by October 16, 2019. Please provide your feedback for Section II-Justification and Need for Existence and Section III- History, Mission, Goals and Objectives-challenges and opportunities for improvement if the Board continues. It is the intent to discuss the Board member's feedback/suggestions at the September 26, 2019 HRB meeting to meet the Joint Sunset deadline of October 16, 2019.

**Public Comment**

There was no public comment

**Adjourn**

The meeting adjourned at 4:08 p.m.

**Next Meeting**

September 26, 2019

DRAFT